



April 6, 2017

Trevor Douglass, DC, MPH
Oregon Health Authority
Health Systems Division
500 Summer St. NE
Salem, OR 97301

Dear Dr. Douglass,

Thank you for your follow-up letter dated March 25, 2017. We appreciate your recognition of our progress in meeting program needs and fulfilling contract expectations. We are dedicated to our partnership with the Oregon Health Authority (OHA) and to the citizens of Oregon. We will continue every effort to meet your contract expectations.

In our previous correspondence, dated March 1, 2017, we provided information on the executed deliverables requested in your letter dated February 14, 2017. We delivered the quarterly reports; the comprehensive census report collected manually, the Prior Authorization (PA) evaluations and our willingness to incorporate additional Utilization Management (UM) types pending OHA's approval, and the fee-for-service acuity rating revisions.

Concerning the four areas mentioned in your March 25 correspondence, we would like to share the below updates and information:

Area 1: SRTF - Average Length of Stay (ALOS)

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2. Metrics and Performance.

Focus area: Secure Residential Treatment Facilities (SRTF)

Contract Requirement: July 1, 2016 through June 30, 2017

Base Metric = By the end of year one, there will be a 10% reduction from the baseline average length of stay.

Contract Requirement – July 1, 2017 through June 30, 2018

20% reduction from the baseline average length of stay

Contract Requirement – July 1, 2018 through contract end date

Maintain 180 day average LOS for SRTF

OHA Request - Within 15 days:

- KEPRO will provide OHA with the average length of stay for all members currently in SRTF.
- KEPRO will provide OHA with the change (in percentage) of the ALOS for members in SRTF since July 1, 2016.

Area 1 Response:

In order to accurately report on average length of stay for a given population, KEPRO needs the following information: definition of baseline data, definition of measurement period, exclusions, etc. In lieu of receipt of this information, KEPRO has developed a methodology and is pulling information from claims. Please be aware that, given the 3 - 6 months claims lag, information will be very preliminary. We will post the requested report to IP Switch by the April 9th deadline.

Area 2: Treatment Episode Monitoring

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7. Independent and Qualified Agent Services

f. Treatment Episode Monitoring shall be implemented as required to serve the Recipients.

(1) Contractor will conduct self-defined periodic review of approved services to determine the authorized service is provided in accordance with applicable Oregon Administrative Rules and the service meets the criteria for quality and medical appropriateness.

(2) Contractor shall determine type and frequency of review based on the type of service and authorization parameters. Reviews shall be conducted through onsite visit, face to face interview of Recipient of provider, document review, clinical documentation review or data analysis.

(3) Treatment episode monitoring may include administration or review of the Level of Care Utilization System and /or the Level of Service Inventory or other assessment or tool determined by Contractor.

(4) For each treatment episode monitoring service invoiced to OHA, Contractor shall provide OHA a treatment episode monitoring detail report describing the reason for the review, the type of review, and the outcome of the review. OHA will not issue payment for these services until this condition is met.

OHA Request - Within 30 days:

- KEPRO will provide OHA with KEPRO's clinical model for treatment episode monitoring.

This is to include:

- Level of care guidelines, Coverage determination guidelines, Coverage Summaries
- Service review / monitoring practices and procedures or any observable and labeled work product that demonstrates how KEPRO determines a service is medically appropriate
- KEPRO will identify 30 members currently receiving service that may require review due to the medical necessity of the services being provided for their diagnosed condition.

Area 2 Response:

By April 24, KEPRO will post our clinical model for treatment episode monitoring to IP Switch, including the level of care and coverage determination guidelines, and the coverage summaries. In addition, KEPRO will be sure to include the service review/monitoring practices and procedures we use, as well as, our work demonstrating how we determine if a service is medically appropriate. We would welcome your feedback on these products and will, of course alter them to your satisfaction.

KEPRO previously provided a list of 86 members on March 20 and included these members on the IP Switch file share site for OHA's review. This will have already met the 30 member identification request notated above. All current members to review will be posted to IP Switch by April 9th.

Area 3: Utilization Management – Physical Health

Contract Amendment 151473-1, Pg. 1;

Section 4: “Comprehensive Care Coordination” subsection (e) provides:

- (1) Complete evaluations and PA’s according to appropriate Oregon Administrative Rules (OAR).
- (2) Complete evaluations and PA’s in accordance with Health Evidence Review Commission’s Prioritized List per OAR.
- (3) Complete processing of PA’s for the Electronic Document Management System’s (EMS) load time as follows:
 - a. Immediate Requests will be completed within 24 hours of receipt. (Important: Emergency services do not require PA)
 - b. Urgent Requests will be completed within 72 hours of receipt
 - c. Routine Requests will be completed within 10 business days of receipt
- (4) Complete PA’s using OHA’s Medicaid Management Information System (MMIS) PA subsystem. Document decisions and clinical judgement within this system.
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- (7) Ensure that staff conducting PA evaluations have adequate knowledge of the Oregon Administrative Rules and Prioritized List of Health Services including amendments and changes that are routinely made.

OHA’s Request - Within 15 days:

- KEPRO will complete remediation and improvement of all training/framework process documents for Occupational/Physical Therapy prior authorizations, Speech Therapy, Hearing Aids, and Augmentative Communication Device prior authorizations. This will include a framework to ensure that the reviewer conducting the PA authorization has adequate knowledge of the OARs and Prioritized list of health services and is able to navigate the MMIS to ensure Pas are processed uniformly and correctly documented.
- KEPRO will develop a time table and an implementation plan to complete subsequent PA type training/framework process documents. KEPRO will obtain approval of Contract administrator on these documents prior to implementing additional areas to ensure KEPRO staff is adequately prepared to execute that PA type. The remaining PA types include: EPIV, Home Health, Medical Surgical, and DME.

Area 3 Response:

The contract amendment notated above is not currently executed. However, KEPRO would certainly be interested in furthering our work in Utilization Management on behalf of OHA to meet the needs proposed in the amendment language included in your March 25 letter.

As mentioned in my letter dated March 1, our KEPRO team has requested access to additional service types and has not received access or information from OHA on the plans or timeline in providing the required information for our team to implement these additional services.

We have worked to assist OHA in this implementation and have finalized the Occupational, Physical and Speech Therapy framework and training documents. Speech Prior Authorizations will begin upon your

approval of these completed documents. The remaining types will be rolled out in the timeline you conveyed in your email correspondence received on March 28. A full implementation schedule will be posted to IP Switch by April 9th.

Area 4: Reports

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13. Data, Records, and Reports.

a. Contractor shall create, prepare, and share documentation, data, metrics, and reports with OHA and DHS-APD for the following: Care Coordination Premanagement, Independent and Qualified Agent, Care Coordination, Disease Management, Intensive Care Management, and the NAL.

e. Contractor shall develop and maintain policies and procedures for the management and resolution of FFS Client and healthcare provider complaints, grievances, and compliments. Contractor's policies and procedures shall document and resolve each complaint and grievance event. Complaints, grievances, and compliments shall be reported to OHA as described in Section 13, subsection n.

OHA's Request - Within 15 days:

- KEPRO will utilize Premanagement data and the eligibility data to run a Churn or Flip report weekly for OHA. This will identify weekly if there are any FFS members who flipped enrollment to a CCO during their inpatient stay. This report shall be posted to the share file for Contract Administrator to utilize to correct these enrollment flips/churn.
- KEPRO will provide written process for adding users to Share file website.
- KEPRO will provide Chad Scott and Rhonda Busek individual access to share file site.

OHA's Request – Within 30 days:

- KEPRO shall provide written process for collecting and tracking client and provider complaints, grievances, and compliments to OHA.
- OHA is formally requesting an initial review of KEPRO's internal compliance program and then to schedule quarterly meetings to ensure compliance.

Area 4 Response:

KEPRO will provide the Churn or Flip report utilizing the Pre-manage data on a weekly basis beginning on or before April 9. The first report has been completed and is available on IP Switch for your review.

In the future, please feel free reach out to Executive Director John DiPalma with any IP Switch site access requests. We are happy to provide access to any OHA staff that needs to view or review our materials. We have posted a formal process to IP Switch, but you can always reach out for immediate assistance. Our team has provided Chad Scott and Rhonda Busek individual access to IP Switch, the share file site so this request has been fulfilled. Chad has confirmed his successful access.

Subsection E referenced above is not currently in the executed contract; however, KEPRO agrees that it is incredibly important to ensure that all complaints and grievances are documented and resolved. In

addition, it is also very important to provide this information as well as documentation on compliments received to OHA. Therefore, we have created a formal policy outlining how KEPRO will manage, resolve and report complaints, grievances and compliments to OHA. This document is currently available on IP Switch for your review and consideration.

Our local KEPRO team will arrange for a demonstration of our corporate Compliance 360 system for the OHA contract deliverables. Please convey a time that works for OHA and our corporate compliance team can be made available. Once established the quarterly meetings can be attended in person or via phone and provide a great opportunity for us to discuss any concerns you have and to ensure further contract compliance.

Once again, we appreciate your acknowledgement of our progress and see no issue with delivering on the requests outlined in this letter. It is our goal to ensure that you and OHA are completely satisfied with the services you are receiving from KEPRO so if you would prefer a conference call or even a meeting in Oregon to further discuss your concerns I would be happy to accommodate your request. I can be reached at 717-265-7026 if you would like to discuss any matter directly with me.

Sincerely,



Joseph A. Dougher
President and CEO
KEPRO